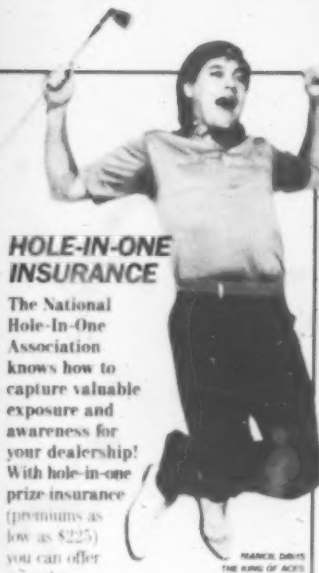




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IMPORT SALES BY MODEL

	June 1988	June 1987	6 Mos. 1988	6 Mos. 1987		June 1988	June 1987	6 Mos. 1988	6 Mos. 1987
ACURA	11,380	9,600	61,303	50,171	Starion	227	805	1,795	2,983
Integra	5,677	4,800	28,129	26,361	Cordia	486	432	3,341	2,186
Legend	5,713	4,800	33,174	21,790	Tridial	15	620	415	2,523
ALFA ROMEO	466	857	2,708	3,422	Mirage	1,091	1,386	5,777	6,480
Milano	185	254	1,822	1,342	Galant	2,375	912	8,901	5,940
Spider	280	403	1,086	2,080	Procyon	1,821	2,487	11,530	8,443
AUDI	2,422	7,915	11,733	24,867	Montero 4-Door	2	0	2	0
4000S	17	1,230	177	3,388	Van/Wagon	563	772	3,272	3,641
4000 S Quattro	3	280	63	1,120	NISSAN	35,324	37,013	198,436	211,284
5000S	1,031	4,277	3,617	14,412	Sentra	10,545	10,274	73,668	59,672
5000CS Turbo	176	678	674	2,754	Pulsar	6,568	5,508	28,672	33,548
5000CS Turbo Quattro	182	1,080	638	2,567	Starline	2,017	6,020	27,125	32,656
80	452	0	3,079	0	Maxima	6,586	6,688	39,739	45,231
80 Quattro	522	0	3,067	0	200SX	3,821	3,228	10,112	18,163
Coupe GT	29	172	218	666	300ZX	2,123	3,023	11,995	20,452
BMW	6,153	7,711	34,786	42,867	Hawall	656	265	2,225	1,772
318i	0	1	9	15	PEUGEOT	788	756	3,482	4,440
524 TD	0	3	3	3	PONTIAC LeMans	5,484	3,454	32,434	3,454
325	3,122	4,929	19,334	28,007	PORSCHE	1,554	2,200	8,307	12,824
528e	677	867	4,586	4,897	924S	407	312	1,302	1,487
535i/535is	371	479	2,427	3,618	944	267	986	1,068	3,182
6-Series	170	161	877	980	944S	26	177	280	1,348
7-Series	1,318	1,088	6,135	4,254	944 Turbo	125	226	1,025	1,383
M3	180	61	638	74	911 Coupe	233	364	1,750	2,255
M5	52	48	194	145	911 Turbo	85	144	579	771
M6	55	64	270	344	911 Cabriolet	188	218	1,073	1,333
CHEVROLET	13,278	10,897	64,347	60,102	928S	125	165	753	1,064
Spectrum	9,383	6,628	40,734	36,280	SAAB	3,636	4,270	19,341	22,087
Sprint	3,885	4,260	23,613	25,892	900	585	913	3,280	4,650
CHRYSLER/MITSUBISHI	10,988	11,085	60,823	60,630	900S	998	1,425	5,115	7,095
Colt	7,856	7,344	45,100	38,842	900 Turbo	908	638	4,542	4,284
Conquest	1,323	1,147	5,670	6,880	9000S	259	353	1,707	1,810
Vista	2,007	2,584	10,935	15,137	9000 Turbo	525	584	4,214	3,824
DAIHATSU	1,012	0	5,273	0	Tourist	362	168	463	444
EAGLE/RENAULT	678	1,782	8,568	5,570	STERLING	715	1,180	4,947	6,367
Medallion	678	1,782	8,568	5,570	SUBARU	15,000	14,343	75,724	77,514
FORD Festiva	6,087	1,492	55,269	2,945	Hatchback	442	593	3,222	3,313
HONDA	21,889	21,489	121,262	132,057	3-Door	1,034	1,253	4,274	6,532
Civic-CRX	7,975	10,423	60,055	54,884	4-Door Sedan	4,304	3,682	15,166	19,439
Accord	8,828	7,246	38,138	44,178	XT	1,195	1,085	7,220	9,852
Prelude	4,985	3,800	25,071	28,985	Station Wagon	6,224	6,218	31,520	33,505
HYUNDAI	28,041	27,180	148,483	127,066	Justy	1,801	924	14,322	4,583
ISUZU	2,788	4,438	11,595	16,151	TOYOTA	54,906	47,584	283,478	242,717
I-Mark	1,587	3,912	12,388	12,388	Corolla	13,945	8,085	71,703	44,855
Impulse	1,201	828	4,017	3,755	Terzot	7,847	8,993	42,588	40,864
JAGUAR	1,714	2,182	9,887	10,824	Celica	6,350	6,682	32,521	36,208
XJ6	1,416	1,621	7,472	7,722	Supra	1,587	2,487	10,721	14,175
XJ6	433	571	2,425	2,302	Camry	20,503	15,848	98,148	75,289
MASERATI	80	80	510	510	Cressida	972	1,548	5,861	10,429
MAZDA	20,227	21,144	118,148	89,573	Land Cruiser	479	330	3,879	1,926
323	7,997	6,146	47,017	31,850	Van	489	1,171	3,088	7,145
626	6,000	11,382	33,756	34,702	4Runner SR5	1,947	178	10,253	735
MX-6	445	0	5,935	0	MR2	687	1,386	4,742	6,640
929	2,520	0	13,167	0	Hawall	0	905	0	2,450
RX-7	2,885	3,888	16,151	10,021	VOLKSWAGEN	11,945	12,813	73,184	62,855
MERCEDES BENZ	6,154	7,273	44,088	4,541	Cabriolet	1,372	1,558	7,176	7,878
190	2,200	1,494	9,448	9,448	Jetta	4,983	5,183	30,441	28,985
280E	616	486	3,882	2,801	Vanagon	494	742	3,085	4,980
300	2,812	1,849	13,158	11,953	Quantum	215	515	1,415	3,118
300SD Turbo	3	573	87	3,620	Scirocco	248	615	1,580	3,731
300SEL	364	0	3,983	0	Fox	4,853	4,220	29,477	14,153
430SEL	584	1,981	4,789	6,875	XLVI	9,153	8,083	49,621	61,964
560SEL	450	453	2,738	3,178	240 Series	3,471	4,809	21,494	30,463
560SL	1,127	944	6,074	6,014	740 Series	4,307	3,129	21,680	24,947
560SEC	127	119	825	916	780 Series	1,058	1,027	5,290	6,464
Tourist	83	204	257	808	780	201	28	788	36
MERKUR	1,825	1,432	6,404	5,133	Tourist	118	280	371	885
XR4Ti	422	641	2,587	4,008	YUGO	2,013	4,781	16,544	27,033
Scorpio	1,403	781	3,817	1,125	IMPORT TOTAL	284,201	281,584	1,534,233	1,443,408
MITSUBISHI	6,300	7,786	35,042	34,147					

Compiled by Karen Dettmeyer

Lemon-law pre-emption faces a new foe

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — Auto industry proposals to use Federal Trade Commission approval of informal dispute resolution mechanisms to pre-empt state lemon laws have been attacked by the National Association of Consumer Agency Administrators.

Meanwhile, both domestic and import car companies are taking sharp issue with the legal objections filed by 41 state attorneys general over the industry petition.

The Motor Vehicle Manufacturers Association and the Automobile Importers of America, said in a letter that their intent is to press for uniform procedures for private settlement mechanisms while allowing states to set their own arbitration programs.

They also said their April petition should make more manufacturer informal dispute settlement mechanisms available. They said that would benefit consumers directly since "only a small portion of warranty problems are covered by state lemon laws."

In opposing FTC pre-emption, the National Association of Consumer Agency Administrators cited three reasons. First, the group said, state lemon law regulations are appropriate because they fill a void created when no manufacturer offered a complete warranty under the 1975 Magnuson-Moss Warranty Act with provisions for repair, refund or replacement of lemons. Since the states filled that void, the group said, they should also determine the "appropriate role and form of private dispute settlement mechanisms."

Second, the group said, state regulation occurred because of FTC's "disinclination" to act on its Rule 703 under Magnuson-Moss permitting arbitration. In 1982 after Connecticut passed the first lemon law, controversy arose over whether programs claiming to meet the FTC rule actually did so. FTC's response was to treat it as a state matter. The consumer agency group said in its letter that "the commission cannot

now justifiably turn around and pre-empt" the state rules it invited.

Finally, the group said, it would be inappropriate for the FTC to act since the same issue of pre-emption is now in litigation. If Congress feels the courts are misinterpreting the purposes and policies of the Magnuson-Moss Act, it can take appropriate action, the group said, but that is a fundamental policy decision properly left to Congress, not the commission.

The group said FTC cannot approve the programs since it is expressly forbidden by language in the conference report ironing out differences between the Senate and House versions of the 1975 Magnuson-Moss Act.

But the consumer group admitted that the MVMA, Automobile Importers of America petition on the FTC rule has potential for consideration if the issues of pre-emption and FTC certification of settlement mechanisms are dropped. However, the industry associations feel their petition should be approved because in addition to providing a uniform settlement mechanism, other consumer benefits include better training for arbitrators, more oral hearings and more information on the programs.

They add that in the 21 states whose lemon laws merely incorporate the FTC rule by reference or those six states that do not have lemon laws, consumers would benefit greatly from the changed FTC rule with greater consumer protection.

While the state attorneys general and the industry associations disagree over what would be pre-empted under the Magnuson-Moss Act, the automakers maintain that the pre-emption sought in their petition would affect fewer than half the states with lemon laws and that a handful of states would have their laws invalidated by such action.

Contrary to charges that they want a shortened rulemaking, the auto industry associations say they welcome public hearings on the matter.

AUCTION DATES

Chrysler Motors

July 19 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

July 20 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

July 21 — Northway Exchange,

Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Salt Lake Auto Auction, Salt Lake City; and Ark-La-Tex Auto Auction, Shreveport, La.

July 22 — Manheim Auto Auction, Manheim, Calif.

Ford Motor Co.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 28 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

July 19 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Used Car Sales

Auction Averages

July 88	\$5,832
Month ago	\$5,824
Year ago	\$5,910

Model Breakdown

Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	\$11,350	\$12,545	\$12,495
1987	\$8,829	\$8,668	\$8,661
1986	\$7,284	\$7,327	\$7,400
1985	\$5,825	\$5,901	\$5,711
1984	\$4,527	\$4,534	\$4,525
1983	\$3,721	\$3,721	\$3,776
1982	\$2,529	\$2,529	\$2,475
1981	\$1,929	\$1,932	\$1,983
Overall Average	\$5,832	\$5,855	\$5,800

July 20 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.

July 21 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, St. Louis

July 26 — A.D.E. of Birmingham, Moody, Ala.; National Auto Dealer Exchange, Bordentown, N.J.; and Florida Auto Auction of Orlando, Ocoee, Fla.

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Scam tags 6th former Pontiac aide

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — A federal grand jury last week indicted another former Pontiac employee on charges stemming from warranty scams.

Indicted on five counts of mail fraud was Allen Peek, former assistant zone manager for service in Pontiac's Detroit zone. He currently is employed by BMW on its national warranty audit staff.

He will be arraigned before a federal magistrate in Detroit, probably during the week of July 25.

The grand jury last week charged that this alleged warranty scam worked similar to an earlier one in which five persons pleaded guilty.

The grand jury charged that Peek used his authority to direct dealership service department employees to submit claims to Pontiac for repair work — reimbursable beyond normal warranty coverage — that was never performed. It charged that Peek then approved the checks that were paid to "a personal friend and associate" of Peek.

The indictment charged that Peek allegedly was responsible for five bogus repair orders totaling \$5,736.39, which were processed through two Detroit-area dealerships, Bob Sellers Pontiac-GMC, Farmington Hills, and Shelton Pontiac-Buick, Rochester.

No dealership personnel have been indicted.

Separately, the fifth and final defendant in the original Pontiac warranty scam indictments — involving the Detroit and Buffalo, N.Y., zones — was sentenced in federal court in Ann Arbor, Mich.

All five of the original defendants pleaded guilty to various charges.

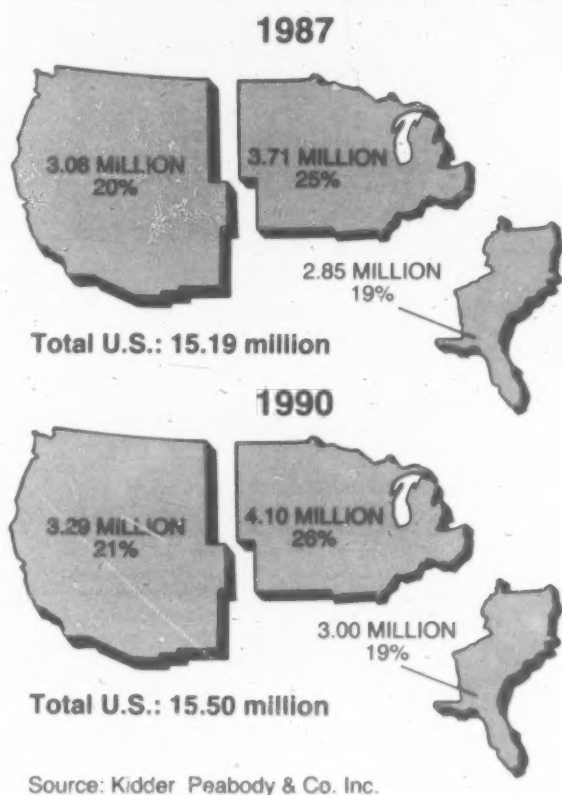
On July 13, U.S. District Judge George LaPlata sentenced Darrell D. Osland to two years in prison plus a consecutive five-year probation.

Osland earlier pleaded guilty to one count of mail fraud and one count of interstate transportation of property taken by fraud as part of a plea-bargaining agreement with the U.S. attorney's Detroit office.

He had been zone service manager in the Buffalo zone and dealer service consultant in the Detroit zone.

REGIONAL BOOM FORECAST

Vehicle sales and shares of U.S. market



DEMAND

FROM PAGE 3

new-car sales of 10.3 million units in 1988 and sales of 10.2 million units in 1989. Sales of traditional domestic makes are expected to total 6.65 million in 1988 and 6.55 million in 1989.

Transplant car sales are projected to rise significantly to 650,000 this year and 850,000 in 1989, while import vehicle sales are expected to decline to 3.0 million this year and 2.8 million in 1989.

The overall import-car sales share is anticipated to decline over the next two years from a 31.1 percent share in 1987 to 27.5 percent in 1989, according to the report.

The report details regional sales patterns since 1964 and projects future sales trends based on a regional econometric model that considers regional economic growth, employment, income and population migration.

The key focus of the study is on untapped demand potential in the Midwest. The weaker dollar has "improved the international competitiveness of many basic industries" in the Midwest, which has only recovered about 40 percent of

the volume that was lost during the last economic downturn, according to the report.

Improved Midwest vehicle sales should lead to better than expected domestic market share gains because 80 percent of all vehicles sold in the Midwest are domestic, compared with 67 percent on a national average basis, the report said.

Two other regions will contribute to the strength of the market. The Pacific Mountain region's economic strength is influenced by the weaker dollar, which has boosted export demand for lumber, aircraft, high-tech machine manufacturing and computer equipment manufacturing, according to the report.

Key industries in the South Atlantic region — including textiles, chemicals and high-tech office equipment — benefit from the lower dollar, according to the study which reports: "Motor vehicle sales should remain above trend line due to expected migration flows, a growing service sector and specific regional impacts of the lower dollar."

Car-like seat belts required for trucks

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has decided to require that all trucks, buses and multipurpose vehicles weighing more than 10,000 pounds meet new safety-belt regulations.

The new rules will make seat belts easier to use in those vehicles and will keep them cleaner. The agency has found that truckers will not wear dirty seat belts.

NHTSA's final rule, published July 6, specifies that all vehicles manufactured after Aug. 31, 1990, must meet the new requirements.

Since 1972, NHTSA has required manufacturers of vehicles weighing more than 10,000 pounds to install safety-belt systems and meet federal belt-strength requirements. Until now, however, NHTSA has not required those vehicles to meet passenger-car regulations that make seat belts easier to use.

The new rules require that all trucks, buses and multipurpose vehicles over 10,000 pounds use a standardized buckle-release mechanism, be equipped with a locking retractor that prevents the belt from tightening excessively around the wearer and have a retractor that is movable with the seat.

NHTSA said it based much of its rulemaking on studies of belt usage by truck drivers and of accidents involving those vehicles.

"There are substantial data showing that occupants of heavy vehicles, particularly heavy trucks, face a significant risk of death and injury in vehicle crashes," NHTSA said in its rulemaking announcement.

VAN

FROM PAGE 1

new Vectra compact.

Last week, European sources confirmed the existence of the minivan project, for which preliminary approval has been granted by GM's executive committee in Detroit.

"If we get a program it might be something like a high-roof car — like (Renault) Espace — based on a Kadett platform," said an insider at Opel, which heads up all GM engineering outside North America.

"It will not be a Kadett as such. There will be more differences than similarities. It's not anything you could call a Kadett and it won't be badged a Kadett."

Another GM official said, "I know we've got an interest, no question. It would be an addition to our line, a niche product." He said the main block of volume would be designated for the United States as a Pontiac.

GM do Brasil currently is completing a \$500 million investment program to build a modified version of the Kadett in Brazil for South American distribution. The car is set to go into production in 1989 and be badged as a Chevrolet for sale there. Chevrolet is not expected to get a version of the minivan for the United States.

Both GM spokesmen and insiders last week denied a report in a Sao Paulo newspaper that said GM would export the Brazilian Kadetts to several markets around the world, including North America and Europe.

The aerodynamic, German-designed subcompact already serves

ment.

"For instance, there are approximately 1,000 deaths annually of heavy-vehicle occupants. Total or partial ejections, which could be substantially reduced by increased belt usage, accounted for about 30 percent of all heavy-vehicle fatalities. The agency estimates that about 43,000 injuries occur in heavy vehicles annually," NHTSA said.

The agency classifies any truck, bus or multipurpose vehicle weighing more than 10,000 pounds as a "heavy" vehicle.

"Surveys of belt usage among heavy-truck drivers have found usage to be as low as 6.2 percent, which is substantially below the national average for passenger-car drivers," the agency continued. "Surveys of heavy-vehicle drivers have noted several behavioral and vehicle-design-related reasons for low belt use among heavy-truck drivers."

One of the most significant reasons for low belt usage, NHTSA said, is that "belts in heavy vehicles were often too dirty to wear because most safety belts in heavy vehicles on the road today are not equipped with retractors. Absent a retractor, the belts can dangle from the seat structure and become soiled with dirt and grease on the vehicle's floor."

The agency said its rulemaking will help interstate truckers meet a belt-use requirement set by the Office of Motor Carrier Standards and mandatory safety-belt-use laws in various states.

as the basis of the Pontiac LeMans, which is built for GM by Daewoo in Korea. Conceivably, a Kadett-derived small van developed by Opel also could be produced by GM's Korean partner.

John Smith, GM's new head of overseas operations, said in a recent interview that a Brazilian-sourced utility car/van "is something that has been looked at, but nothing has been approved."

Usines Chausson SA, the French coachbuilder and body engineering specialist, did some of the preliminary body engineering work on the project and is believed to have competed with Italy's Pinninfarina for the main project development work.

The vehicle would complement the forthcoming plastic-bodied APV (all-purpose van) being readied for the Chevrolet-Pontiac-Canada Group. A 4wd version of that vehicle was scrapped for cost reasons, opening a niche for the 4wd version of the Kadett-based small van.

The APV launch for Chevrolet and Pontiac has been delayed and is now planned for the mid-1990 model year.

GM officials have been openly enthusiastic about export prospects for its Brazilian operations. But Richard McGill, GM-Europe's head of national sales operations, in a recent interview denied rumors that Europe's Opel Senator luxury sedan may be built in low-cost Brazil for both the U.S. and Brazilian markets.

Staff correspondent Rik Turner in Sao Paulo, Brazil, contributed to this report.

Korean workers target union, supplier

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As labor unrest continues here, members of two unions have expressed dissatisfaction with their leadership, and a work stoppage at a components supplier threatens to halt production at two auto companies.

Workers at Hyundai Motor Co. adopted a no-confidence motion against Lee Yong-Bok, chairman of the company's trade union. The workers are unhappy because the union signed a contract without the approval of the rank and file.

Some 14,000 workers have joined in a call for a general meeting and are seeking government permission to name one union member empowered to convene such a meeting.

Meanwhile, after ending their strike in May, several thousand workers at Daewoo Motor Co. staged sporadic sit-in protests demanding the resignation of Won Yong-Bok, their union leader. Workers accused him of being "insincere" in the early stages of negotiations with the company.

Daewoo Motor and Ssangyong Motor Co. are threatened with disruption in production as a result of labor problems that have re-emerged at Daewoo Precision Co., which supplies both automakers with components. If the situation continues, the two assemblers may be forced to suspend operations.

Labor problems at Daewoo Precision, which flared up in May, ended after a month of negotiations. However, the company's trade union resumed the strike on June 25 over wages.

The company manufactures carburetors, shock absorbers, steering knuckles and liquid crystal displays used in instrument readout panels.

The company is also a defense contractor and, as such, is subject to laws that forbid strikes in the defense industry.

South Kyongsang Gov. Cho Ik-Rae has warned the Daewoo Precision workers that their "unlawful labor dispute has caused a serious impediment to the defense industry." He vowed to take legal action, if necessary, to order workers back to their jobs.

Auto sales tumble 14% for July 1-10

By Philby Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Early-July sales of domestic cars dropped 14.38 percent from the year-ago period. Only Honda and Toyota reported gains.

Deliveries for the July 1-10 period totaled 142,110, a decline of 23,860 units from 165,970 a year ago. Two years ago, 189,474 domestic cars were delivered in early July.

This year, the daily-selling rate slipped by 445 units or 2.14 percent to 20,301 compared with an average rate of 20,746 last year. There was one less selling day in the 1987 period.

Honda's sales rose by 214 units or 3.34 percent, and Toyota's deliveries climbed 24.66 percent or 164 units in the first 10 days of July compared with a year earlier.

The Big 3 reported sales declines ranging from nearly 2 percent to 18 percent. GM delivered 14,249 fewer cars than last year, a dip of 17.59 percent.

Ford's sales declined 8,819 units or 17.55 percent in the first 10 days of July compared with last year.

Chrysler's deliveries slipped 1.83

DOMESTIC SALES

	July 1-10, 1988	July 1-10, 1987
Eagle	1,143	675
Chrysler	5,397	7,431
Plymouth	5,723	5,949
Dodge	9,437	8,050
Chrysler Motors	21,700	22,105
Ford	28,718	33,624
Mercury	9,790	12,287
Lincoln	2,928	4,344
Ford Motor Co.	41,436	50,255
Buick	8,391	12,552
Cadillac	4,840	5,112
Chevrolet	29,032	32,826
Oldsmobile	13,317	15,766
Pontiac	11,157	14,830
General Motors	66,737	80,986
Volkswagen	—	899
Honda	9,715	9,401
Nissan	1,412	1,650
Toyota	829	665
Mazda	281	—
U.S. Industry	142,110	165,970

percent or 405 units from last year's equivalent period, although Dodge delivered nearly 1,400 more cars in early July this year.

Nissan's transplant deliveries were off 247 units or 14.89 percent compared with a year ago.

Mazda delivered 281 cars built at its Flat Rock, Mich., plant. The company was not producing cars in the United States at this time last year.

Volkswagen stopped reporting sales June 30; its plant in Westmoreland, Pa., permanently closed July 21. A year ago, the German transplant operation sold 899 cars in the first 10 days of July.

INCENTIVES

FROM PAGE 3

70th, and \$750 per unit thereafter.

Mitsubishi also is offering dealers a \$500 bonus on all Monteros and wagons sold during the program, which runs until July 31.

The lease program on Precis five-door models, which is being run through Security Pacific Auto Finance, will continue through Aug. 31. The leases range from 36 to 60 months. The program will be backed by an advertising campaign in USA Today and local publications.

NISSAN: Nissan Motor Corp. in U.S.A. has unveiled new customer rebates in a program called Customer Cash Back II. It began July 6 and runs through Sept. 2.

It includes 1987 and 1988 Sentra, Pulsar, Maxima and 200-SX cars; 1987 and 1988 special, non-standard non-Hardbody pickups; and 1988 Hardbody special pickups.

Dealers must contribute to the rebates on all models except 200-SX. Rebates on that model range from \$1,000 for four-cylinder models up to \$2,000 on V-6 models.

Standard Sentra models carry a

\$300 rebate that includes a \$75 dealer contribution. Other Sentras have a \$700 rebate, including \$175 from the dealer. Pulsar NX XE has \$500 (\$125 from dealers), while the SE model rebate is \$700 (\$175 from dealers).

The Maxima rebate is \$1,000, including a \$250 dealer contribution.

Truck rebates range from \$500 (\$125 from dealers) on standard pickups and 1988 Hardbody specials to \$700 (\$175 from dealers) on the non-standard Hardbody pickup.

SUZUKI: American Suzuki Motor Corp. is paying its dealers a rebate of \$2,000 on each Samurai sport-utility vehicle sold from July 13 to Sept. 2, but dealers do not have to wait until the end of the program to get a portion of the money.

Dealers were given an advance of \$600 for each Samurai in their inventory as of July 13. If rebates at \$2,000 per sale exceed the advance, the dealer will pocket the difference. If sales rebates fail to cover the advance, the shortfall will be charged to the dealer's parts account.

Court upholds 4-year extension for passenger-side air bags

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — A federal appeals court has upheld a NHTSA decision to allow cars equipped with driver-only airbags to count toward its passive restraint standards through 1994.

NHTSA had granted a petition by Ford Motor Co. in March 1987 to allow cars with a driver-side air bag and passenger-side manual belt to count toward the requirement that all cars be equipped with front-seat passive restraints by 1990. Ford maintained the extra four years was needed to develop passenger-side bags and the extension would insure that a greater

number of cars would be equipped with driver-side air bags.

However, the Center for Auto Safety and Ralph Nader's Public Citizen sued over the extension.

The Insurance Institute for Highway Safety and all auto companies argued that passenger manual belts would encourage more driver-side air bags.

Ford promised it would produce a 1988 model with full front air bag protection; the Lincoln Continental has such a system. Ford also promised to produce 500,000 to 1 million driver-only air bags between the 1990 and 1994 model years.

EPA ruling steams up importers

Agency calls for emissions test at U.S. ports, not home plants

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — Auto importers are fighting EPA's proposal to conduct emission-control testing at U.S. ports instead of on foreign assembly lines. They are basing their complaint on cost and legality.

The Automobile Importers of America, as well as non-members Volkswagen of America and Mercedes-Benz of North America, have objected to the EPA's proposal. Selective enforcement audits currently are conducted by EPA engineers at each manufacturer's assembly plant abroad.

The Automobile Importers of America opposes the move because EPA has announced the change without going through formal rulemaking, as it has done in the past whenever it changed assembly-line test procedures.

The group's primary concern is that using ports "would result in inequitable treatment of foreign manufacturers." Moreover, it said, doing so would "significantly increase costs and testing difficulties for our member companies."

The importers' letter also includes a legal analysis, which contends that EPA does not have the authority in its existing regulations to enforce its decision to use ports.

In preparing that view for the importers, attorneys Norman Shutler and Matthew Low, both former EPA officials, said there never was any intention to use ports for the selective enforcement audit program

since "few, if any foreign manufacturers" had test facilities in the United States when the rules were written.

They also pointed to a special exception granted to General Motors by the EPA that allows GM to use preferred assembly plants for various engine families. That, they said, "suggests not only that the agency intended that selection occur at assembly plants but that the agency intended to be bound by the manufacturer's choice of plants for such selection."

Shutler and Low said importers will have to set up test facilities.

VWoA has told the EPA that additional pre-testing would be needed to screen salt water and other damage resulting from transportation that may affect emissions. These factors, VW said, are "outside manufacturer control."

The company suggested that "the manufacturer who elects to have the SEA conducted in the country where the vehicles are produced could be assessed a fee by EPA equivalent to the differences in expenses incurred by EPA as a result of conducting the SEA in that country rather than in the U.S."

Mercedes-Benz of North America cited "clear legal problems" and "significant cost issues" in opposing use of ports for testing. Mercedes said it believes foreign makers should be allowed to pay the cost of a foreign selective enforcement audit if EPA lacks the money.

Festival time for Brazilian industry

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — Brazil's vehicle production, domestic market sales and exports were all up during the first half of this year.

Sales in Brazil rose an encouraging 20.7 percent despite the relative price freedom enjoyed by the industry for several months.

According to figures released by the country's automotive manufacturers' association, ANFAVEA, exports rose 9.9 percent in volume and 38.2 percent in value, compared with the first half of 1987, indicating an increase in the average unit value of the country's vehicle exports.

Vehicle production totaled 523,770 units, a 13.8 percent increase over the 460,272 built during the same six-month period in 1987. Sales in the domestic market rose to 337,906, compared with 279,859 a year earlier, while exports increased to 173,194 from 157,569 units for the 1987 period.

The industry earned \$1.624 billion on foreign sales from January through June, a 38.21 percent hike over 1987's \$1.175 billion.

ANFAVEA President Andre

Beer said the industry's 1988 export forecast already has been revised upward, increasing \$500 million from the original projection of \$2.5 billion, and he said that estimate may still be too conservative.

However, in announcing the figures, Beer mentioned the widening gap between increases in the industry's costs and value of the cruzado. He criticized government's reluctance to devalue the cruzado at a faster rate in the face of a monthly inflation rate of about 20 percent.

Brazil's government has decided to devalue the cruzado in one percent increments rather than take a large decrease in the currency's value. Export industries, such as the automobile business, have found it difficult to remain competitive. As a result, prices have increased on exports by both Ford and Volkswagen to the point that both companies have lost some U.S. orders.

Beer said costs in the face of the overvalued cruzado increased 46.3 percent from January 1987 to May 1988. "We're now suffering losses on each unit exported," he said, adding that the government has so far taken no action on the indus-

try's request for assistance.

Proposals include lengthening the period manufacturers can hold tax revenues from car sales before handing them over to the government.

In addition, the companies seek authorization to convert Brazilian foreign debt paper into payment for exports, which would allow importers to receive discounts on their purchases while manufacturers would receive the cruzado equivalent of the face value of the paper.

On the home front, Beer said the industry is not worried by the government's decision last month to allow alcohol fuel prices to rise.

Until the change, the government had held the price of the fuel to 65 percent of the price of gasoline in order to compensate for its higher consumption per kilometer.

Alcohol is actually more expensive to produce than gasoline at current oil prices, and Petrobras, the federal oil company, has been registering huge losses each month on its alcohol operations. Thus, in an effort to reduce Petrobras' losses, the government upped the parity to 70 percent of the gasoline price.

ROVER

FROM PAGE 1

adapt the five-year plan as conditions dictate.

British Aerospace's hesitancy was viewed by some observers as a last minute gambit to win further financial concessions. However, the company's chairman, Roland Smith, said his sudden reluctance to conclude the deal was not because it objected to financial details.

The British government's original agreement with the aircraft maker, reached last March, called for a cash injection and debt writeoff in excess of £2 billion (\$3.4 billion). For competitive reasons, the EC — which is also investigating whether Fiat was allowed to buy Alfa Romeo too cheaply — decided that was too much.

Following three months of tortuous negotiations, the compromise package reached reduced the government's cash injection to £469 million (\$797 million) from £800 million (\$1.36 billion). Debt write-offs were also reduced to £500 million (\$850 million) out of accumulated losses of £1.6 billion (\$2.72 billion).

Furthermore, the tax credits may be applied only against Rover profits and not used to lower the aircraft maker's overall tax bill.

But the compromise did permit £78 million (\$137 million) in regional government aid for individual

Rover plants.

The tab for the five year plan prepared by Day, including the cost of reducing Austin Rover capacity in Britain, is said to be £1.5 billion (\$2.55 billion) before the end of 1992. The deal also calls for the EC to closely monitor British Aerospace's adherence to the plan.

The final step in the sale is for British Aerospace to get shareholder approval for the Rover takeover, which is expected within three weeks.

Meanwhile, earlier rumors of Ford taking a position in Jaguar cooled last week. However, the flurry of unexplained buying activity that led to the speculation — which Ford denied — also spurred talk of possible moves by other manufacturers to gain a foothold in the British luxury-car maker.

The British government's "golden share" in Jaguar prevents acquisition of more than a 15 percent stake by a single entity before December 1990. But several analysts believe that several makers may want smaller stakes in advance of the date. That would give them leverage and possibly drive up the share price to help ward off other predators.

Jaguar's low share price at the moment makes it attractive, analysts say. With the value of the marque, it is seen as a far better buy for a carmaker than for private investors.

PRODUCTION

Auto output rises 20% after holiday

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production totaled 100,900 units, 20.08 percent more than the prior holiday week's 84,028 and 9.91 percent more than the year-ago week's 91,804.

Last week's and the year-ago week's car and truck numbers were affected by downtime at several plants for vacation and model changeover.

Companies split last week's scheduled output as follows: General Motors, 66.32 percent; Chrysler Motors, 18.14 percent; Honda of America Manufacturing Inc., 7.41 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.35 percent; New United Motor Manufacturing Inc., 3.22 percent; and Volkswagen of America, 1.56 percent.

All Ford Motor Co. plants were idle last week for vacation. Output was scheduled to resume today.

Nissan Motor Manufacturing Co.'s plant in Smyrna, Tenn., resumed output today. The plant was idle for a two-week vacation.

Truckmakers scheduled production of 40,495 units last week, 1.07 percent below the previous week's 40,935 and 40.46 percent below the year-ago week's 68,008.

The following GM plants are idle until Aug. 1 for model changeover: Doraville, Ga.; Tarrytown, N.Y.; Framingham, Mass.; and Willow Run, Mich.

GM's Detroit-Hamtramck plant will be down until Aug. 24 and the Lansing, Mich., plant until early August. Both are idle for changeover.

GM's Janesville, Wis., and Wentzville, Mo., plants will close Thursday for changeover. Janesville will resume output Aug. 1 and Wentzville Aug. 2.

Chrysler's Belvidere, Ill., and Warren, Mich., plants are idle for model changeover. The Warren plant is scheduled to resume output July 25 and Belvidere is slated to reopen Aug. 1.

Chrysler's St. Louis truck plant resumed output today. The plant had been down for one week for vacation.

Vacations cut Canada output

Scheduled production of cars and trucks in Canada dipped from the prior week's output as several plants shut down for model changeover and vacation.

Car output was targeted at 8,495, 31.18 percent below the previous week's 12,343 but 84.63 percent more than the year-ago week's 4,601. The year-ago week's production was also affected by plant closings for changeover and vacation.

Truckmakers scheduled 7,003 units last week, 54.29 percent below the previous week's 15,320 and 26.68 percent below the year-ago week's 9,551.

All Ford plants were idle last week for vacation. Production was slated to resume today.

Chrysler's Windsor, Ontario, truck plants and its Brampton, Ontario, facility are idle for vacation until July 25.

U.S. CAR	Week Ended July 16, 1988	Week Ended July 16, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 16, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,900	0	1,621	3,915	54,389	32,997
Sundance	2,900	0	2,087	5,510	59,633	56,294
Reliant	2,100	0	1,597	4,130	51,981	62,358
Caravelle	0	0	0	0	9,087	30,089
Gran Fury	300	128	311	672	15,057	2,585
Total Plymouth	7,200	128	5,616	14,227	190,127	184,283
LeBaron K	0	0	0	0	7,912	42,910
LeBaron J	2,000	3,142	1,636	4,041	44,526	70,552
LeBaron GTS	300	0	212	578	5,428	23,809
N. Yorker E-Class	0	0	0	0	0	46,793
N. Yorker C-Class	0	0	2,037	2,004	63,233	0
Fifth Avenue	200	1,909	251	515	15,745	26,241
Total Chrysler	2,500	5,051	4,136	7,736	136,844	210,405
Omni	1,700	0	1,472	3,554	53,084	28,363
Daytona	2,000	1,029	1,629	4,040	43,801	33,980
Shadow	2,600	0	1,810	4,859	59,265	57,629
Aries	1,800	0	1,440	3,617	50,811	59,387
Dodge 600	0	0	0	0	8,549	26,922
Dynasty	0	0	1,744	2,230	59,366	0
Lancer	200	0	138	372	5,471	15,008
Diplomat	300	510	341	738	12,371	5,286
Total Dodge	8,600	1,539	8,574	19,410	292,718	226,535
CHRYSLER MOTORS	18,300	6,718	18,326	41,374	619,889	637,217
Escort	0	8,660	0	1,883	201,238	204,880
Mustang	0	4,486	0	884	109,640	118,310
Tempo	0	0	0	776	102,764	99,830
Taurus	0	7,431	0	1,980	213,056	232,032
Thunderbird	0	3,748	0	863	84,245	91,155
Total Ford Div.	0	24,325	0	6,157	710,943	746,207
Lynx	0	237	0	0	0	20,917
Topaz	0	0	0	303	38,291	32,858
Cougar	0	2,506	0	649	63,775	82,962
Sable	0	2,422	0	610	73,626	74,155
Total Mercury	0	5,165	0	1,562	175,892	210,892
Continental	0	0	0	150	23,716	9,610
Mark VII	0	0	0	73	12,997	14,299
Lincoln	0	0	0	442	75,589	72,088
Total Lincoln	0	0	0	665	112,302	95,967
Total L-M Division	0	5,165	0	2,227	287,994	306,889
FORD MOTOR CO.	0	29,490	0	8,383	998,937	1,053,096
Skyhawk	172	0	70	245	9,945	16,451
Skyhawk/Somerset	523	0	1,311	2,182	27,983	37,072
Century	3,353	3,183	2,658	6,694	66,096	103,225
Regal (rwd)	0	1,444	0	0	0	26,581
Riviera	0	0	48	74	3,642	8,501
Electra	1,905	0	1,611	3,918	49,803	53,545
LeSabre (fwd)	2,600	2,790	2,040	5,140	69,970	80,693
LeSabre (rwd)	195	111	150	380	5,820	5,529
Reatta	224	0	165	421	5,140	0
Total Buick	8,972	7,528	8,053	19,033	238,399	331,697
Cimmaron	0	0	0	0	3,693	7,489
Eldorado	0	0	333	542	23,410	12,720
Seville	0	0	236	355	14,488	10,534
Brougham (rwd)	360	0	386	762	17,799	38,116
Deville (fwd)	937	0	2,862	4,520	97,108	90,573
Allante	0	150	0	0	1,135	2,485
Total Cadillac	1,297	150	3,817	6,180	157,633	161,917
Cavalier	8,317	4,451	5,885	15,701	201,538	204,504
Camaro	2,833	2,049	2,200	5,533	51,925	63,172
Celebrity	4,953	4,372	4,013	10,042	108,343	192,776
Corsica/Beretta	8,845	6,118	7,411	18,116	231,362	164,406
Monte Carlo	0	973	0	0	0	40,162
Caprice	4,475	2,625	4,403	9,811	114,478	110,417
Corvette	448	589	354	890	11,878	17,099
Total Chevrolet	29,871	21,177	24,266	60,094	719,524	792,536
Calais	767	0	2,478	3,827	64,657	69,547
Firenza	0	0	0	0	5,230	2,019
Cutlass Ciera	1,865	0	1,578	3,826	13,156	99,968
Cutlass Supreme	4,348	1,373	3,447	8,548	90,891	42,994
Toronado	0	0	127	210	10,209	10,127
88 (fwd)	2,900	1,885	2,662	6,234	89,661	108,017
88 (rwd)	110	0	118	256	6,925	10,656
Olds 98	508	0	1,525	2,359	44,948	37,869
Total Oldsmobile	10,498	3,258	11,935	25,259	325,677	387,791
Sunbird	2,217	0	1,449	4,059	59,756	60,295
Grand Am	4,140	4,166	4,616	9,828	138,286	149,797
Firebird	1,415	1,192	1,054	2,785	36,632	45,513
Grand Prix	4,035	0	3,130	7,780	73,415	0
Pontiac 6000	1,578	1,999	1,168	3,068	43,569	48,705
Bonneville	2,304	3,173	2,158	5,015	63,962	77,613
Safari/Panther	68	124	71	160	4,697	5,724
Fiero	520	0	0	615	11,134	20,689
Total Pontiac	16,277	10,654	13,646	33,309	431,451	408,336
GENERAL MOTORS	66,915	42,767	61,717	143,875	1,872,684	2,082,277
HONDA	7,480	6,208	0	8,976	196,869	184,168
Civic	2,440	1,748	0	2,916	54,206	61,604
Accord	5,040	4,460	0	6,060	142,663	122,564
MAZDA*	3,378	0	2,452	6,430	53,699	0
NISSAN	0	2,633	0	533	53,571	72,187
NUMMI	3,250	3,988	0	3,770	85,176	108,745
Corolla	1,200	891	0	1,392	31,278	22,580
Nova	2,050	3,097	0	2,378	53,898	86,165
VOLKSWAGEN	1,577	0	1,533	3,510	35,595	43,129
Golf/GTI	1,577	0	1,533	3,510	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	100,900	91,804	84,028	216,852	3,916,220	4,180,819
Total Cars, Canada	8,495	4,601	12,343	25,185	637,740	458,580
U.S., Canada Cars	109,395	96,405	96,371	242,037	4,553,960	4,639,399
U.S., Canada Cars and Trucks	156,893	173,964	152,626	364,347	7,338,722	7,203,254

*Monthly estimates may contain error of one or two units due to rounding.
*Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 16, 1988	Week Ended July 16, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 16, 1987
Eagle	0	—	0	0	0	—
Premier	1,485	—	1,541	3,347	38,874	—
CHRYSLER MOTORS	1,485	0	1,541	3,347	38,874	3,095
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	0	—	0	528	102,017	—
Topaz	0	—	0	262	36,450	—
Crown Victoria	0	—	0	457	71,940	—
Grand Marquis	0	—	0	485	71,864	—
FORD MOTOR CO.	0	0	0	1,712	282,271	284,261
Celebrity	530	—	681	1,321	12,948	—
Cutlass Ciera	2,322	—	5,473	8,952	155,498	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	707	928	29,675	—
Regal	2,818	—	3,780	7,224	94,088	—
GENERAL MOTORS	5,670	3,881	10,541	18,425	292,209	158,507
Civic	1,160	—	0	1,328	18,549	—
Accord	0	—	0	0	1,828	—
HONDA	1,160	495	0	1,328	20,377	6,750
VOLVO	180	225	161	374	4,009	5,967
Total Cars, Canada	8,495	4,601	12,343	25,185	637,740	458,580

U.S. TRUCK*	Week Ended July 16, 1988	Week Ended July 16, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 16, 1987
Caravan	0	—	1,282	1,596	52,630	—
Dakota	0	—	1,543	2,044	61,653	—
Mini-Ram Van	0	—	183	241	8,496	—
Pickups	0	—	1,517	2,002	40,119	—
Total Dodge	0	2,702	4,525	5,883	162,898	141,929
Cherokee	3,300	—	3,828	7,876	102,230	—
Comanche	800	—	914	1,890	26,130	—
Grand Wagoneer	300	—	0	370	8,231	—
Pickups	0	—	0	0	0	—
Wagoneer	0	—	0	0	6,190	—
Total Jeep	4,400	4,040	4,742	10,136	142,781	119,516
Voyager	0	—	1,351	1,683	48,601	—
Total Plymouth	0	—	1,351	1,683	49,354	—
CHRYSLER MOTORS	4,400	6,742	10,618	17,702	362,297	261,445
Aerostar	0	—	0	0	109,133	—
Bronco	0	—	0	245	32,390	—
Bronco II	0	—	0	511	69,881	—
Econoline	0	—	0	936	130,025	—
Heavy trucks	0	—	0	0	35,060	—
Light trucks	0	—	0	2,076	266,783	—
Ranger	0	—	0	1,571	191,433	—
Total Ford Div.	0	28,949	0	5,339	834,705	810,250
FORD MOTOR CO.	0	28,949	0	5,339	834,705	810,250
Astro	3,698	—	3,394	7,735	96,392	—
Blazer	534	—	443	1,089	15,565	—
Mediums/Heavies	340	—	219	634	9,936	—
P-Model	966	—	737	1,864	22,311	—
Pickups	7,091	—	5,537	13,944	187,810	—
S-10	5,799	—	5,517	12,541	163,366	—
S-10 Blazer	3,620	—	2,563	6,885	93,409	—
Sportsvan/Van	2,383	—	1,813	4,594	50,113	—
Suburban	1,534	—	1,171	3,035	41,525	—
Total Chevrolet	25,985	19,692	21,394	52,322	680,427	652,747
Jimmy	153	—	87	268	4,486	—
Mediums/Heavies	760	—	653	1,553	22,023	—
P-Model	54	—	49	142	3,198	—
Pickups	2,149	—	1,821	4,408	58,177	—
S-15	1,173	—	1,094	2,529	37,244	—
S-15 Jimmy	1,005	—	695	1,885	24,264	—
Safari	909	—	850	1,919	24,547	—
Suburban	522	—	414	1,028	18,653	—
Vandura/Rally Vans	655	—	510	1,261	19,857	—
Total GMC	7,380	7,806	6,173	14,993	212,449	212,022
GENERAL MOTORS	33,345	27,498	27,567	67,315	892,876	864,769
NAVISTAR	0	0	0	299	45,649	40,037
NISSAN	0	2,069	0	253	55,959	43,596
AM GENERAL*	450	450	450	990	12,510	7,110
MISCELLANEOUS*	2,300	2,300	2,300	5,060	63,940	66,100
Total Trucks, U.S.	40,495	68,008	40,935	96,957	2,267,936	2,093,307

CANADIAN TRUCK	Week Ended July 16, 1988	Week Ended July 16, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 16, 1987
Caravan	0	—	2,900	3,339	79,451	—
Mini-Ram Van	0	—	251	297	7,850	—
Ram Wagon	0	—	354	444	13,401	—
Ram Van	0	—	1,639	1,880	35,238	—
Total Dodge	0	4,236	5,144	5,960	135,940	239,977
Voyager	0	—	2,696	3,030	72,320	—
Total Plymouth	0	—	2,696	3,030	72,320	—
Wrangler	0	—	805	964	26,865	—
Total Jeep	0	0	805	964	26,865	18,081
CHRYSLER MOTORS	0	4,236	8,645	9,953	235,125	258,058
FORD MTR (lt. tris.)	0	0	0	609	91,509	83,579
Light trucks	3,665	—	3,202	7,434	86,130	—
Vans	1,276	—	1,418	2,899	35,398	—
Total Chevrolet	4,941	—	4,620	10,332	121,528	—
Light trucks	1,615	—	1,318	3,114	44,378	—
Vans	447	—	739	1,302	18,450	—
Total GMC	2,062	—	2,055	4,417	62,828	—
GENERAL MOTORS	7,003	5,315	6,675	14,749	184,356	123,813
NAVISTAR	0	0	0	11	5,836	5,098
Total Trucks, Canada	7,003	9,551	15,320	25,353	516,820	470,548
U.S., Canada Trucks	47,498	77,559	56,255	122,310	2,784,762	2,563,855

*—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

Bigger cars move ahead in first half

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Significant increases in sales of mid-sized and large cars helped the auto industry register a gain of nearly 9 percent in the first six months of this year.

The total was 5,524,166 this year, up from 5,085,931 in the first half of 1987.

Driving in comfort and luxury seemed to be consumers' pleasure in 1988, as opposed to the years when saving money and gas led to gains in the compact and subcompact classes.

Sales of the mostly sporty, expensive models in the specialty car segment slid almost 20 percent, with the bulk of the loss coming from two-seater models. It was an indication of the consumer demand for larger, more comfortable cars.

Sales of the intermediate-sized cars for the first six months of this year totaled 1,629,203 — 16.05 percent or 271,346 units more than 1,690,857 sold in the comparable period of 1987.

Domestic-car sales were responsible for most of the increase in the segment. Sales of U.S.-built intermediates totaled 1,629,912, or 19.63 percent above the 1,362,508 sold in 1987. By contrast, sales of imported intermediates rose 1.20 percent.

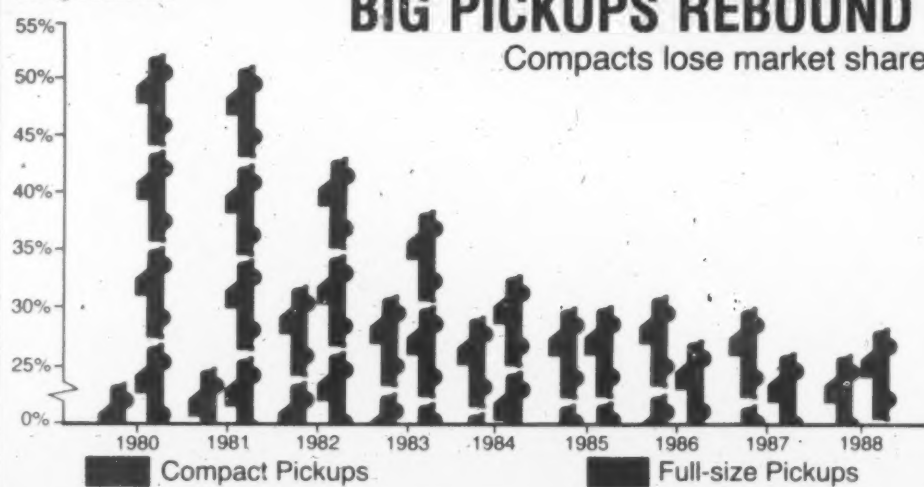
General Motors' contribution of 161,978 new W-body (GM10) cars helped boost the intermediate segment. The models the GM10 cars replaced had sales of 89,027 in the first half of 1987. Also hiking the intermediate count were Chrysler Motors' new Dodge Dynasty, Chrysler New Yorker and Eagle Premier and Mazda's new 929 model.

The standard-sized car market showed sales of 763,669 cars for the first half, 10.23 percent more than the 692,775 units sold in the comparable period of 1987.

In that segment, the imports' gains outpaced those of the domestic makers. Domestic sales of standard-size cars increased 10.09 percent over last year, imports, 16.60 percent.

see SEGMENT, page 42

% of light-truck sales



Big pickup sales top compacts

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Full-sized pickup trucks reversed a long-time trend by outselling their compact counterparts during the first six months of this year and regaining their status as the industry's largest truck volume category.

Compact vans, particularly passenger models, continue to be the fastest-growing segment of the light-truck market, however.

The introduction of restyled full-size pickups by General Motors and Ford Motor Co. last year, coupled with a decline in Japanese compact pickup sales triggered by the strong yen, have led to a major reversal in the sales patterns of those two segments.

During the 1980s — until the 1988 model year — compact pickup sales had been growing steadily, while market share of the full-sized pickups declined.

Full-sized pickups dropped from 51.78 percent of industry light truck sales in the 1980 calendar year to 25.80 percent in the 1987 calendar year. For the first six months of this year, their market share bounced back up to 27.74 percent.

Meanwhile, compact pickups, which had 23.08 percent of the light-truck market in calendar 1980, climbed to 30.13 percent in calendar 1987. They dropped precipitously in the first half of 1988. Their market share is now down to 25.80 percent of the light-truck market.

The big change began to occur in the third quarter of last year, when the impact of the strong yen on Japanese truck prices really began to be felt.

As recently as the 1987 model year, the industry sold 275,000 more compact pickups than full-sized models.

During the first half of calendar 1987, compact pickups held a 119,217-unit sales lead over full-sized models, according to an Automotive News analysis. During the same period this year, the compacts trailed the full-size light-duty models by 49,356 sales.

Sales of the conventional full-sized light pickups

were up 100,087 units in the first six months this year, while compact pickup sales were off 68,486 units from a year earlier. Overall, the light truck industry recorded 2,527,380 sales in the first half of calendar 1988, up from 2,342,525 a year earlier.

Full-sized pickup sales of 701,366 were up from 601,279 a year earlier. Conversely, compact pickup sales dropped to 652,010 from 720,496 last year.

Arthur G. Davis, an automotive analyst with Prescott Ball & Turben, said a number of factors, including further erosion in Japanese pickup sales and higher prices coming up for compact trucks generally and technological improvements in the full-sized



Davis: Basically, there's no competition for domestic manufacturers in that market segment

models themselves, would continue fueling their popularity in 1988.

"There's increasing evidence of full-sized pickups gaining in popularity," Davis said. "Basically, there's no competition for domestic manufacturers in that market segment. And in the compact market, we see Japanese sales tumbling by 125,000 this year and another 100,000 next year. That's a giveup to the full-sized market."

In other industry categories, passenger-model minivan sales jumped to 386,775 from 286,023 a year earlier. At the same time, cargo-model minivan sales increased to 64,451 from 60,602 in the first half of 1987.

House unit looks into rollovers

Did Steed veto safety standard?

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — A House Energy and Commerce subcommittee is investigating whether NHTSA Administrator Diane Steed vetoed a proposed vehicle-rollover safety standard after a rulemaking request was approved by four members of NHTSA's senior staff.

The original request for the rulemaking was made in 1984 by then-representative, now senator, Timothy Wirth, D-Colo.

In announcing the investigation, Rep. Tom Luken, D-Ohio, chairman of the House Energy and Commerce Subcommittee on Transportation, said the subcommittee would look into press reports saying Steed overruled her senior staff by deciding last summer not to write a rollover standard.

Luken noted that Consumers Union, the New York product-testing organization, recently asked NHTSA to establish a minimum safety standard regarding rollovers when it labeled the Suzuki Samurai "unacceptable" due to an alleged propensity to tip over. Suzuki has fought the charge, but the company has suffered a nationwide sales slump since Consumers Union made its charges.

Luken and Rep. John Dingell, D-Mich., Energy and Commerce Committee chairman, have sent a letter to Steed asking for detailed responses to 13 questions dealing with light-truck safety and rollover research. Steed was asked to respond to the questions by Aug. 12.

A NHTSA spokesman said the agency had no comment on the investigation.

Luken's investigation will focus on NHTSA research activity regarding vehicle rollovers and will attempt to judge whether Steed's decision not to proceed with a new safety standard was justified. Luken and Dingell have asked for "all internal letters, notes, memoranda, studies, etc." dealing with

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New Audi warranty covers most maintenance

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Audi of America will upgrade its warranty on its latest models beginning Aug. 1 and begin footing the bill on virtually all maintenance and repairs for three years/50,000 miles.

In addition, the company will extend its unlimited-mileage corrosion protection from 6 years to 10 years. With that, Audi will match Porsche's warranty against rust as the longest in the U.S. market.

Dealers attending Audi's preview of the new 100/200 models in Chicago last week said the programs have been designed to provide worry-free ownership. They said Audi buyers will pay for no more than gas, tires and insurance during the warranty period.

Audi's current warranty also extends for three years/50,000 miles. But it does not cover routine maintenance for such things as oil changes, wheel alignments, tune-ups and brake pads. The new warranty will cover those parts and services but won't pay for negligence, collision damage and wear and tear on the trim.

The maintenance coverage appears to be the most comprehensive in the nation. The maintenance

portion of the Yugo America warranty is similar, but it provide coverage for one year/12,000 miles. Some manufacturers offer longer-term warranties than Audi but don't pay for routine upkeep.

The new warranty program will be provided on all Audi 80/90 models sold after Aug. 1 and the new 100/200 series, which debuts that day. The 100/200 replaces the Audi 5000.

The steps are part of a plan to rebuild the franchise in the wake of damaging publicity about unintended acceleration incidents in the Audi 5000. Concerns about safety and resale value have been factors in Audi's dramatic sales slide since 1985. Audi is attempting to defuse such concerns with these and other plans.

One of those offers a guaranteed trade-in price on 1988 Audi models. It will now be expanded to apply to 1989 models as well.

Dealers said they expect the warranty program to be attractive because there is no fine print to spoil the initial appeal.

"It's a bold step. It really shows that there is no reason not to buy this car," said Jory Hite, a dealer in Aurora, Colo., and a member of the dealer group that worked with Audi in developing the program.

Audi also announced prices for the new 100/200 models at last week's meeting. The 100 series will be naturally aspirated and the 200 series will be turbocharged. Each will be available in wagon and four-wheel-drive "Quattro" versions.

The Audi 100 sedan will be priced at \$27,480; the 100 wagon, \$28,960; and the 100 Quattro, \$30,805. There will also be a 100-E model, which will carry fewer standard features than the 100 and sell for \$24,980. The Audi 200 will retail for \$32,455; the 200 Quattro, \$36,355; and 200 Quattro wagon, \$37,855.

The 100/200 will retain the exterior styling that helped make the car a hit after its launch in 1983. The interior will be significantly improved, however, dealers said. More features will be made standard.

Currently, prices on the Audi 5000 range between \$22,850 and \$36,310.

Dealers reported that they were pleased with the 100/200 prices, and the announcement reportedly drew mild applause. In contrast, some dealers and the automotive buff magazines have said the 80 and 90, which were introduced last fall, have been overpriced.

TRUCK INDUSTRY

June truck sales by manufacturer and segment

		14,000 4 LBS GVW CLASS 1-3	14,001- 16,000 GVW CLASS 4	16,001- 19,000 GVW CLASS 5	19,001- 26,000 GVW CLASS 6	26,001- 33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH MC		21,730						21,730	15,855
	YR	105,119						105,119	64,081
DODGE	MO	56,627						56,627	61,278
	YR	312,119						312,119	288,630
JEEP	MO	22,839						22,839	20,338
	YR	124,104						124,104	101,524
TOYOTA	MO	20,461						20,461	25,172
	YR	121,309						121,309	154,780
NISSAN	MO	14,746						14,746	23,029
	YR	84,661						84,661	115,493
MAZDA	MO	7,676						7,676	11,184
	YR	52,125						52,125	60,523
ISUZU	MO	7,554						7,554	7,115
	YR	39,196						39,196	45,606
mitsubishi	MO	3,316						3,316	5,109
	YR	24,131						24,131	25,488
SUZUKI	MO	2,199						2,199	8,320
	YR	31,221						31,221	45,262
RANGE ROVER	MO	209						209	253
	YR	1,576						1,576	1,576
FORD	MO	133,307	2,147		1,096	3,065	1,362	140,977	130,969
	YR	757,445	9,421		5,540	18,038	7,075	797,579	736,283
FREIGHTLINER	MO						2,090	2,090	2,127
	YR						11,846	11,846	10,902
CHEVROLET	MO	124,431		18	610	770	58	125,887	114,481
	YR	683,742		130	4,018	4,782	241	689,911	585,948
GMC	MO	32,053		232	1,004	1,367	115	34,771	33,562
	YR	181,142		2,776	7,692	8,915	1,005	201,530	178,401
KENWORTH	MO					33	1,582	1,615	1,199
	YR					252	7,913	8,165	8,647
MAACK	MO				171	227	2,270	2,668	2,475
	YR				971	1,289	10,314	12,574	12,255
MERCEDES	MO				134	203		337	313
	YR				597	988		1,585	1,922
NAVISTAR	MO		24	24	1,410	2,291	3,079	6,828	6,588
	YR		110	184	9,595	15,191	16,904	41,884	35,039
PETERBILT	MO					24	1,334	1,558	1,170
	YR					158	7,823	7,981	5,234
VOLVO	MO					178	1,889	1,965	1,012
	YR					680	7,299	7,979	6,098
HINO	MO			52	34	65		151	191
	YR			318	259	480		1,057	973
NISSAN DIESEL	MO			64	23	64		151	211
	YR			365	171	483		1,029	782
ISUZU TRUCK	MO	461	44	14	50	47		616	713
	YR	2,491	186	73	576	189		3,495	2,727
MITSUBISHI FUSO	MO	135		76	22	50		282	157
	YR	667		231	126	323		1,347	814
SCANIA	MO						10	10	9
	YR						95	95	72
IVECO TRUCKS	MO	105	71	31	18			225	302
	YR	528	308	163	98			1,097	1,392
WESTERN STAR	MO						100	100	131
	YR						781	781	676
OTHER DOMESTICS	MO				6		89	95	121
	YR				31		443	474	611
GRAND TOTAL	MO	447,855	2,286	511	4,578	8,381	13,878	477,589	482,446
	YR	2,521,576	10,085	4,240	29,672	51,728	71,739	2,689,046	2,496,591
1987 YR to DATE		2,348,333	369	4,329	20,156	51,447	83,865		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 9 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 142 Subarus included in 1987 Class 3 and 639 in 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Truck sales fly high

1st half best ever; June just short of peak

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Total retail truck sales of just under 2.7 million set a record in the first six months of the 1988 calendar year.

Manufacturers retailed 477,599 light, medium and heavy trucks in June, just shy of last year's record 482,446. They retailed 2,689,046 trucks in the first six months, up from 2,488,591 in 1987.

Light-duty, Class 1-3 trucks, accounted for 2,521,576 sales in the six-month period, up from 2,348,333 a year earlier.

Although light duties have been the major sparkplugs in the industry's upturn, mediums and heavies have also been scoring big gains.

The Class 4-7 medium segment, particularly, has recorded a big upsurge, due to the impact of Ford's Super Duty chassis in Class 4 and the aggressive efforts of Japanese importers.

The medium segment tallied 95,725 sales in the first six months, up 25.47 percent from 76,293 a year earlier, according to the Motor Vehicle Manufacturers Association.

Ford's Super Duty, a brand new entry in the 1988 model year, has been instrumental in pumping up Class 4 sales from a mere 359 in the first half of last year to 10,085 in the most recent six-month period.

The Super Duty has drawn Class 3 buyers who might otherwise have bought a light-duty truck and overloaded it or a Class 5 and underutilized it.

Class 3's 1,323 sales in June were off from 1,542 a year earlier, according to MVMA, as were Class 5 sales.

Class 3, though losing ground, still managed sales of 7,185 for the first six months, slightly ahead of 7,101 a year earlier.

Class 5 sales of 4,215 were off from 4,329 during the first half of last year.

Classes 6 and 3 have been the other major gainers this year, with sales of 29,672 and 71,739, up from 20,158 and 63,965, respectively, in the year-earlier period.

All the major Class 8 manufacturers are benefiting from the strong market upturn, and Peterbilt is having a particularly strong year.

Peterbilt's six-month sales of 7,981 were up 52.48 percent from last year's 5,234.

Volvo, after taking over General Motors' heavy-truck operations, also turned in a strong showing with 7,979 sales during the first six months, up 30.85 percent from 6,098 a year earlier. The 6,098 does not include GM's heavy-duty sales last year.



Iveco's Jerr-Dan Wrangler car-towing vehicle

Iveco adds van and stake truck, makes towing unit for Jerr-Dan

BLUE BELL, Pa. — Iveco Trucks has formed a joint-marketing agreement to produce a new commercial tow vehicle and has introduced several other new products including a contoured van and a new stake body truck.

Iveco made an agreement with Jerr-Dan in which the Jerr-Dan Wrangler roll-back body will be mounted on its cab and chassis models.

The new product is designed to allow automobile towing companies to haul one standard-sized car on the deck while towing another behind on the three-position tow bar.

The units are available on the Iveco Euro 220, EuroTurbo 220 (14,800-pound GVW) and EuroTurbo 230 (16,900-pound GVW), providing an ergonomic cab designed for driver comfort.

The Jerr-Dan Wrangler body is made of polished aluminum; is 17 feet, 11 inches long; and has an 8,000-pound winch installed on the front end and a three-position tow bar standard on the back. Optional equipment includes a chrome bumper and chrome hub caps.

Iveco also introduced a van

body, designed to carry and deliver greater payloads through crowded city streets more conveniently. The vehicle uses the Supreme European-design contour body mounted on Iveco Euro 110 and 220 and EuroTurbo 120A and 220 cutaway chassis.

The contoured van has 647 cubic feet of cargo space, with payload capacity ranging from 5,080 pounds to 7,716 pounds in an aerodynamic body.

Iveco is also working with the Supreme body company to offer an all-steel stake body to handle a variety of hauling needs.

The Iveco Stake Supreme truck is available in Euro 110 (11,600-pound GVW) and Euro 220 (14,800-pound GVW) models, providing up to a two-ton payload capacity. Both models are available with a five-speed manual or automatic transmission.

The vehicle has an ergonomically designed cab, good maneuverability and a low bed-to-curb loading height, according to Jim Underwood, Iveco senior vice president of sales. It also features a fuel-efficient six-cylinder diesel engine, he said.

SERVICE MANAGEMENT

Lexus, Infiniti stress service as they plan debut

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — As Toyota and Nissan prepare to move into the U.S. luxury segment, both companies have given top priority to developing service programs that will be offered to the buyers of their new cars.

They plan to make service and customer satisfaction throughout the ownership cycle key ingredients in their marketing strategy. Both the Toyota Lexus and Nissan Infiniti lines are scheduled for introduction in the fall of 1989.

Lexus has appointed Richard L. Chitty corporate manager, parts, service customer relations, and has named Robert Rinkel customer satisfaction manager. Chitty formerly was Toyota's national technical service manager, and Rinkel was manager of Toyota touch activities, a corporate customer satisfaction operation.

Richard J. Lueders Jr. has been appointed Infiniti national parts and service manager. He formerly was Los Angeles regional service manager for Nissan.

Both Chitty and Lueders indicated that their divisions are entering a new era in customer relations and satisfaction.

"The whole basis for everything we develop and everything we are doing in service, parts and customer relations at Lexus is with the customer in mind and geared toward the ultimate in customer satisfaction," Chitty said.

"Customer satisfaction is what we are going to deliver, and that starts with the development, design and production of the car, right on through the delivery of the car and servicing of the car."

Minimum standards for a Lexus dealership, according to Chitty, are based on a total commitment to achieving the absolute highest levels of owner satisfaction.

For example, all dealership personnel whose work involves customer contact will undergo, at the dealer's expense, an intensive training program prior to introduction. Training of service personnel will start in July or August 1989, prior to the Lexus introduction in September of that year.

Standards also call for the adoption of a customer relations system that will be reviewed at least quarterly by Lexus field representatives. It will be subject to an annual review by Lexus management.

Dealerships also will be required to own or lease a computer data system that meets compatibility requirements for interfacing



HIDDEN IMAGE: NANCY S. LEHMANN

When Nissan Infiniti bows in fall 1989, its dealers will aim to provide premium service

with a nationwide database of information on all Lexus vehicles and customers.

"When a customer brings his car in for service, the service consultant will be able to track the complete history of the car by entering a VIN number or any other designated code," Rinkel said.

"Instantaneously, the consultant will have a complete record of the service work — warranty, maintenance or customer-paid — done on the vehicle, whether it was done at the that dealership or one 3,000 miles away."

Also, dealership parts departments will be required to maintain the highest customer fill rate in the industry. It is anticipated that dealerships will be assigned minimum parts stocking levels and participate in automatic parts reordering systems.

The system will be set up to automatically reorder parts from headquarters in Torrance, Calif., after a completed work order is entered into the computer.

Chitty said Lexus also will provide the owner with a 800 toll-free phone number that the Lexus owner can use for 24-hour emergency roadside service.

The emergency call will be handled in Torrance, Rinkel said, and will be referred to a Lexus dealership, if it is in the vicinity, or to a backup road-service network that is being developed.

"We are not only going to fix the car but also going to fix the customer by finding out what his personal needs are," Chitty said. "For example, if he has an appointment to meet, we will try to get him there on time. If he wants his wife notified that he will be late, we will do that. We will do whatever has to be done to make it easier for an owner in that situation."

Lexus will also have a no-hassle warranty that will take care of the customer, he said.

"After all, you have to keep in mind that the Lexus is a luxury car and certain things are expected. We want to make sure that what we offer is the very best and the very most that can be expected," he said.

Rinkel said Lexus is basing part of its program on the fact that there won't be many problems with the car.

That will be true because Lexus will establish product quality check points at the factory, ports of entry and at the dealerships, Rinkel said.

After service, a diagnostic/quality control team will check out repairs and make sure the vehicle is in top condition before it is returned to its owner, Chitty said.

The Lexus V-8 sedan is expected to be priced in the \$30,000 to \$35,000 range, while the V-6 is targeted around \$20,000. Lexus has selected its first 81 dealers and expects to name about 20 more to meet its start-up goal of 100 outlets.

Nissan's Infiniti Division also is in the initial stages of setting up its management organization, dealer network and service programs.

Infiniti will develop an operating procedures and standards manual for parts, service and sales and then use an interlocking computer system to back up those procedures, Lueders said.

In the service writeup area, for example, the dealer will have a procedure outline and a computer system that takes information and relays it to the customer in the form of a repair order, Lueders said.

"Dealers, specifically in the service and parts areas, are looking for clear-cut direction from the manufacturer," Lueders said. "Not from the standpoint of us telling them what to do, but giving them a good framework within which to operate with our ultimate goal being to push the decision-

making process down to the lowest possible level."

In the warranty field, Infiniti's general direction is to be competitive with upscale franchises such as BMW and Mercedes-Benz, an Infiniti spokesman said.

"We still don't have a definite blessing from Tokyo at this point as to what we are allowed to announce as our warranty," he added, "because we are going back and forth on some details."

At this point, Infiniti has decided only that it will offer a warranty that will not confuse the customer, he indicated.

"What we want to do is send the customer the highest signal that the car has good quality and that he can rely on the car," he said.

Infiniti, like Lexus, has developed and is providing its dealers with a facility design guide.

The key design element of an Infiniti dealership is its axial configuration to provide an open corridor that extends diagonally the length of the building.

All key elements of the dealership are located along that axis — the reception center, showroom, retail merchandising center, parts counter and cashier.

The same attention given to the new-car showroom is reflected in the service area as a function of axial design.

A special area is designated as the service drive with a reception desk where customers are greeted and assisted.

The design includes offices for service advisers that overlook the entire service drive as well as the balance of the dealership.

The service adviser's space opens onto the service drive so if the customer has to demonstrate a problem, the vehicle is readily available.

The service workshop, according to Lueders, will be equipped with the latest tools, equipment and systems to support customer needs and vehicle servicing.

The parts department is centrally located in the dealership design. The parts counter also is located for ease of identification to stimulate impulse purchases.

The initial Infiniti offerings will be a full-sized sedan with a four-liter V-8 and a V-6-powered specialty coupe. The four-door model will be priced in the \$30,000 range, the two-door will be in the \$20,000 bracket.

Infiniti has appointed 23 of the 75 dealers scheduled for 50 metropolitan markets when the line is launched in the fall of 1989.

Service Index moves up for month, year

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts volume at new-car dealerships in April increased slightly, compared with the year-earlier month.

In April 1988, shop volume at new-car dealerships was 0.5 percent above business in April 1987, according to the Automotive News Service Index.

Service business during the first four months of 1988 registered at 4.9 percent above the volume reported in the year-earlier period.

When the January 1988 figures were announced, an analyst at one of the Big 3 automakers predicted a slowdown for April, partly as a result of declining warranty work.

This month, a Southwestern Cadillac dealer said its body shop reported a 2 percent increase but mechanical service fell as a result of less warranty work and less drive-in traffic.

An Eastern Oldsmobile dealer also said warranty volume declined and other dealer service operations stayed about even.

SERVICE INDEX
100.5*

	Apr. '88	4 mos. '88	Apr. '87	4 mos. '87
Gross Profit on All Labor and P&A Sales	+3.0%	+6.8%		
Repair Orders Written	-2.7%	+1.4%		
Total Labor Sales (Customer & Warranty)	+5.0%	+5.8%		
Shop Parts Sales (Customer & Warranty)	-0.5%	+5.6%		
Sales of All P&A	-2.2%	+4.7%		

* Survey by Automotive News shows that dealers' service and parts business in April 1988 was 100.5 percent of business in April 1987. Service business in the first 4 months of 1988 was 104.9 percent of business in the corresponding period in 1987.

A Northwestern Ford dealer said a direct-mail campaign led to a large increase in service business.

A Buick dealer in the Rocky Mountain-state area, who reported an increase in service also said he added a new outlet about 15 months ago and increased promotion of service.

Parts and accessories sales to off-premises customers fell 6.5 percent in April, compared with the year-earlier month. In the first four months of 1988, parts and accessory sales to off-premises customers increased 7.1 percent.

ASIA provides career data for students

The Automotive Service Industry Association has produced a packet of information for high school, technical school and college level students interested in a career in the aftermarket.

John W. Nerlinger, Automotive Service Industry Association president, said the association receives an average of 50 requests per week for information.

"They (students) are looking to ASIA for direction, information and leadership in providing pertinent data on career opportunities in our industry."

"Our new packet of career information contains the most complete description of the total job market available anywhere," he said.

The packet contains 21 career briefs for both technically inclined and creatively oriented students. The briefs include job descriptions for accountants, automotive machinists, painters, technicians, manufacturer's representatives, technical writers and training instructors.

The packet is available for \$10 but the association encourages instructors and counselors to reproduce the career information from the packet.

For more information, contact

SHOP TALK



ARTHUR FLAX

the Automotive Service Industry Association, Attn: William R. Host Jr., 444 N. Michigan Ave., Chicago, IL 60611.

Parts video

Autronix Video of Santa Monica, Calif., has designed a computer system that allows customers to purchase automotive parts and accessories at just the touch of a finger.

The unit, which occupies only 5½ square feet of retail space, permits shoppers to retrieve information and order parts from an in-

ventory that would be impossible to stock, even at the largest automotive supermarkets, the manufacturer said.

The system tracks parts' availability at the retail store, and at manufacturers and distributors.

"Maintaining sufficient inventory to cover thousands of vehicle makes, styles and year combinations would require the rental of the Grand Canyon," said Fred C. Robin, Autronix chairman.

"The VideoShopper kiosk can not only preview and demonstrate each product with the impact of television, it can interact with the customer and close the sale," he said.

Consumers enter information into the computer on their vehicle and touch the unit's color, 19-inch video screen, instructing the computer to display and demonstrate specific components.

The parts information is stored in a laser disc catalog.

The unit also can generate a printout of the customer's order after confirming availability, a shipping date or inventory status at the retail store.

The system was developed in association with ByVideo Corp., Sunnyvale, Calif.

PERSONNEL

FROM PAGE 16
chemistry at Eastern Michigan University.

NAFC

David Loeffler has been named president of the National Accounting and Finance Council in Alexandria, Va., part of the American Trucking Associations. He succeeds Harvey Smalheiser, senior vice president of corporate taxes for Ryder Systems Inc.

Loeffler is senior vice president of finance and administration for Yellow Freight System, Overland Park, Kan.

In addition, Mike Newton, treasurer of Roadway Services in Akron, was elected president-elect of the council. Richard Mikes, senior vice president for Ruan Transportation in Des Moines, Iowa, and James Fuquay, senior vice president of administration for Viking Freight System in San Jose, Calif., were elected vice presidents.

Succeeding Fuquay as treasurer is John Meyers, vice president and treasurer of ABF Freight System in Fort Smith, Ark.

HUF

H. Lynn Anderson, chairman of the Arizona Highway Users Conference, will receive the Highway Users Federation's Stanley W.

Gustafson Leadership Award Sept. 20 in Washington.

HUD presents the award annually to the person or persons who have made the most significant contribution to the safety, efficiency or energy effectiveness of the nation's highway system.

Other Suppliers

Robert Eller has been named executive vice president and general manager of Multibase, a division of Polybase Inc. of Copley, Ohio. The company is a thermoplastics compounding.

Christopher H. Corbett has been promoted to manager of engineering at Flex Technologies in Zoar, Ohio. He previously was a sales engineer for the company. Flex is a designer and manufacturer of plastic components for the auto industry.

Charles R. Ellison has been appointed manager of the Southern region for Volstatic Inc., Florence, Ky., a producer of electrostatic powder coating equipment.

Eugene Skannion has been named Southern regional sales manager for Sprec'er and Schuh USA. He formerly was district sales manager. The company makes low-voltage industrial motor control equipment.

Canadian vehicle sales up 16.3%

May's domestic, import truck deliveries jump 27%; cars, 12%

A booming Canadian market fueled by continued strong demand for trucks pushed May's vehicle sales 16.3 percent over the year-earlier period.

The Canadian industry sold 168,139 domestic and imported vehicles during the month, compared with 144,273 in May 1987.

Domestic and imported car sales totaled 116,216 units, a 12.3 percent gain over a year earlier, while sales of domestic and imported trucks rose 27.2 percent.

The industry's domestic and import vehicle sales for the January-May period rose to 674,394 units, compared with 627,876 for the 1987 period. Car sales for the first five months of 1988 were up 2.2 percent over last year, while truck sales surged ahead 20.7 percent.

Aided by Jeep, Chrysler's May truck sales were the largest in the company's history. Sales jumped 64.9 percent over May 1987, totaling 12,905 imported and domestic vans and light trucks compared with 7,827 last year.

General Motors, paced by its full-sized pickups, tallied a 31.6 percent boost in truck sales over May 1987. GM sold 19,076 domestic and import trucks compared with 14,491 last year.

Ford truck sales were up 15.4 percent over a year ago to 15,130 units, compared with last year's 13,107. It was Ford's 12th consecutive month of improved sales.

Sales of the Big 3's domestically built and imported cars were ahead of the May 1987 pace. GM was up 20.9 percent; Ford followed with a 19.1 percent boost; and Chrysler rose 16.8 percent.

On the import side, Suzuki was up 166.6 percent on sales of 544 cars followed by Subaru with a

CANADIAN CAR AND TRUCK SALES

	May 1988	May 1987	% chg. 1988	% chg. 1987
Domestic Cars				
General Motors	35,091	32,799	167,816	155,066
Ford	22,053	19,991	88,480	83,357
Chrysler	18,891	13,324	66,740	64,079
Honda	1,145	1,257	4,086	2,915
Volvo	230	219	684	573
Domestic car total	88,599	68,591	521,891	386,596
Import cars				
Toyota	8,562	8,508	27,861	26,941
Honda	8,518	6,467	28,351	26,759
General Motors	3,784	2,174	11,018	6,093
Nissan	3,480	3,286	12,963	15,080
Volkswagen	3,081	3,015	15,945	14,045
Mazda	2,982	2,848	13,782	16,783
Hyundai	2,321	5,027	15,860	23,857
Chrysler	943	1,373	3,434	4,774
Subaru	837	800	2,912	2,931
Suzuki	544	284	3,132	943
Ford	543	838	1,726	3,603
Volvo	481	480	2,137	1,966
Mercedes-Benz	357	437	1,863	1,929
Volvo	327	506	1,951	2,477
Jaguar	286	312	1,012	956
Saab	132	155	886	734
Lada	89	72	488	371
Shoda	25	65	204	286
Import car total	36,296	36,486	146,836	146,986
TOTAL — ALL CARS	116,216	105,076	461,834	461,579
Domestic trucks (including vans)				
GM	18,957	14,400	75,877	66,775
Ford	15,130	13,107	63,991	58,743
Chrysler	12,905	7,827	53,460	31,182
Domestic truck total	46,992	35,334	182,328	156,700
Import trucks (including vans)				
Nissan	1,483	1,773	6,004	7,349
Toyota	1,406	1,617	6,619	6,219
Mazda	1,108	1,524	4,722	4,717
Suzuki	643	288	2,613	1,210
Chrysler	219	430	1,480	1,225
GM	119	1	686	228
Volkswagen	114	172	387	580
Lada	18	4	61	63
Import truck total	6,189	5,819	22,642	20,581
TOTAL — ALL TRUCKS	53,181	41,153	204,970	177,281
TOTAL — CARS, TRUCKS	168,139	146,229	666,804	638,860

67.4 percent spurt over May 1987.

Mazda enjoyed a year-to-year sales gain of 27.9 percent, selling 3,382 cars this May compared with 2,645 in the year-ago period. Nissan got things turned around with

a gain of 9.7 percent following a 41.2 percent drop in April.

The soft spot in the May market was the import luxury segment, with Mercedes-Benz, Volvo and Saab all seeing some sales erosion.

ROSS

FROM PAGE 4

Adding to Wixom's capacity will be expensive, Ross said. But the alternative poses some risks, too. The level of training, job skills and quality controls are higher at a plant like Wixom than they are at a typical plant.

"We're reluctant to do it somewhere else," he said. "I'm leaning toward Wixom." The decision will come in another month or two.

Wixom's output is already scheduled to jump this month from 42 units to 46 an hour when a new addition to the paint shop opens. In the process, output of the hot-selling Continental will go up from 9 units to 15.

Ross is taking the blame for the sales estimates that kept Continental production as low as it has been. "I blew it," he said. "I could have changed it had I had the foresight to know how successful it would be."

On another production front, a joint study to build a minivan with Nissan "is still looking positive." The two companies had been expected to wind up their research this past spring. Now it may not be finished until fall.

Ross said the task force is ironing out the the same types of issues that typically pop up on any new vehicle program: profitability, sourcing, location and others. Although signs are pointing toward Avon Lake, Ohio, as the production site — the company just exercised options to buy 108 acres adjacent to its Ohio Truck Works plant — Ross says that is just one of the places being considered. The venture will produce about 100,000 units annually, with each company splitting the output.

Despite that and other vehicle projects, powertrains will get a disproportionate amount of Ford's attention in coming years. Ford will spend at least 50 percent more on powertrains in the next five years than it has in the past five, Ross said. In the process, virtually every Ford engine will be replaced or upgraded.

The company recently started converting its Romeo, Mich., tractor plant to an engine facility, a \$1 billion project that will create a new family of powertrains — first V-8s, then V-6s and maybe 4-cylinder versions later on.

The engines will bring Ford more flexibility in production. For the consumer, "you'll have the ability

to get more horsepower if you want, but you'll see it in smaller displacement engines," he said. Overall, the engines will be lighter and deliver better fuel economy. No car engine will be larger than five liters. Romeo's first engine will be a 4.6-liter V-8.

Ford has expanded transmission and transaxle capacity in the last year. The moves will help give the company the supply of components it will need if it decides to increase assembly capacity.

But in the meantime, product shortages mean more than lost sales. Ford division, for example, has been playing detective lately in an effort to close up pipelines that are feeding hard-to-get products through brokers to Ford dealers.

"(Ford Division General Manager Tom) Wagner and (General Sales Manager Dick) Fenstermacher have been on this since the beginning of the year," Ross said. "If you can get units from the broker, why can't you get from the dealer? It affects the credibility of our distribution system, and that's what bothers me. We want a credible distribution system — we think we have one — and we don't condone the practice."

Ford is coming off a first half that saw all but three of its car lines record sales increases over their year-ago levels. Other than the Continental, the biggest gainers were Taurus/Sable, up 25 percent, and Tempo/Topaz, up 18 percent.

Models that are down from a year ago are the Mark VII, 16 percent; Lynx/Tracer, 3.4 percent; and Crown Victoria, 0.3 percent. Ford stopped building the Lynx nearly a year ago, several months after the launch of its replacement, the Tracer.

Ross said he is satisfied with the sales of the Scorpio and XR4Ti. The two imports from Ford of Europe accounted for 6,400 sales in the first half of the year, compared with 5,133 at the same point in 1987. Scorpio was launched in May of last year. Its first-half sales in 1988 were curtailed by a production halt made to accommodate various changes in the car.

A price increase on those two models is "inevitable," however. Currency purchases made by Ford have so far offset the effects of the dollar's decline against the German mark in recent years, Ross said. But eventually that protection will diminish, and Ford will have to raise prices to reflect the higher cost of importing a German product.

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